

**Senate Commerce, Labor and Agriculture
Committee Amendment #1**

AMENDMENT NO. _____

Signature of Sponsor

AMEND Senate Bill No. 2657*

House Bill No. 2926

FILED

Date _____

Time _____

Clerk _____

Comm. Amdt. _____

by deleting in its entirety all the language following the caption, and by substituting instead the following language:

WHEREAS, the treatment of the TennCare population has spurred the incorporation of Managed Care Organizations (MCO's); and

WHEREAS, prudent use of financial resources depends on making multiple choices available for patient therapies; and

WHEREAS, pharmaceuticals are crucial as preventive and cost-effective components of health care and offer potential savings in cures or treatments for many diseases and conditions; and

WHEREAS, it is desirable to ensure access to prescription medicines by patients whose care is provided by physicians through MCOs; and

WHEREAS, a competitive market should be preserved so that investment in research and scientific innovation continues; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. The legislative oversight committee on TennCare is directed to conduct a totally independent study of the TennCare pharmacy program, including, but not limited to, the following questions:

(1) What is the monitoring process to insure that pharmacy programs are carefully implemented and reimbursement arranged so that patient care is not disrupted?

(2) Is the physician's judgment adequately recognized in insuring that patients receive medically necessary treatments?

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(3) Should new drugs and biologics be available and reimbursable initially in order to ascertain their ability to have an impact on the integrated costs of TennCare Services?

(4) Are adequate disclosure measures in place to insure patients are informed about the scope of the pharmaceutical benefit and of any restrictions on that benefit?

(5) By what method should the scientific and clinical integrity of health care decisions affecting TennCare enrollees be insured?

(6) Through what process should TennCare enrollees have the opportunity to voice grievances and have access to an established process for appealing denials of care?

(7) What safeguards are in place to insure the preservation of a competitive marketplace that will result in the continuation of critical medical research and development?

SECTION 2. The TennCare Bureau, the TennCare Pharmacy Board, the Department of Finance and Administration shall provide necessary assistance to the oversight committee on TennCare in conducting its study and the oversight committee is authorized to invite the participation of TennCare managed care organizations.

SECTION 3. The oversight committee on TennCare shall report its findings and recommendations no later than January 10, 1997, to the chairman of the senate general welfare, health and human resources committee, the chairman of the house health and human resources committee and the special joint committee to study women's health.

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SECTION 4. This act shall take effect upon becoming a law, the public welfare
requiring it.